

## Message Text

UNCLASSIFIED

PAGE 01 BONN 19133 241718Z

45

ACTION EUR-12

INFO OCT-01 IO-10 ISO-00 INT-05 CIAE-00 COME-00 EB-07

INR-07 LAB-04 NSAE-00 SIL-01 DODE-00 PM-04 H-02 L-03

NSC-05 PA-02 PRS-01 SP-02 SS-15 USIA-15 /096 W

----- 008906

R 241705Z NOV 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC 4603

INFO AMCONSUL BREMEN

AMCONSUL DUSSELDORF

AMCONSUL FRANKFURT

AMCONSUL HAMBURG

AMCONSUL MUNICH

AMCONSUL STUTTGART

USMISSION USBERLIN

USMISSION EC BRUSSELS

USMISSION GENEVA

USMISSION NATO BRUSSELS

AMEMBASSY BERLIN

AMEMBASSY BRUSSELS

AMEMBASSY BERN

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY HELSINKI

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY OSLO

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY THE HAGUE

AMEMBASSY VIENNA

UNCLAS BONN 19133

E.O. 11652: N/A

TAGS: ELAB, GW

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 19133 241718Z

SUBJECT: STEELWORKERS SET PATTERN FOR 1976 COLLECTIVE

BARGAINING ROUND BY ACCEPTING SIX PERCENT WAGE INCREASE

SUMMARY: BY ACCEPTING A 6 PERCENT WAGE PACKAGE, THE STEELWORKERS IN NORTHRHINE-WESTPHALIA AND BREMEN HAVE TRIED TO COVER THE EXPECTED INCREASE IN THE COST OF LIVING WHILE DOING THEIR PART TO COMBAT INFLATION, INCREASE EXPORTS AND STIMULATE INVESTMENTS WHICH WOULD CREATE JOBS. THEY HAVE ALSO ESTABLISHED A PRECEDENT WHICH WILL INFLUENCE OTHER WAGE SETTLEMENTS DURING THE 1976 ROUND OF COLLECTIVE BARGAINING. END SUMMARY.

1. AFTER LENGTHY NEGOTIATIONS, THE DGB METALWORKERS UNION ACCEPTED A 6 PERCENT WAGE AND FRINGE BENEFIT PACKAGE FOR ABOUT 220,000 BLUE AND WHITE COLLAR WORKERS IN THE STEEL INDUSTRY IN NORTHRHINE-WESTPHALIA AND BREMEN. THE NEW AGREEMENT, WHICH IS VALID FOR 12 MONTHS, SETS THE PATTERN FOR WAGE SETTLEMENTS IN OTHER INDUSTRIES FOR 1976.

2. BOTH THE METALWORKERS UNION AND THE STEEL EMPLOYERS' ASSOCIATION HAVE CALLED THE SETTLEMENT AN ACCEPTABLE COMPROMISE. THE METALWORKERS' COLLECTIVE BARGAINING COMMISSION FOR THE STEEL INDUSTRY HAS APPROVED THE AGREEMENT BY 109 VOTES TO 8.

3. THE NEW AGREEMENT, WHICH STILL REQUIRES APPROVAL BY THE EXECUTIVE COMMITTEE OF THE EMPLOYERS' ASSOCIATION, PROVIDES A 5 PERCENT INCREASE IN WAGES AND SALARIES EFFECTIVE NOVEMBER 1, A ONE-TIME PAYMENT OF DM 25.00 FOR EACH WORKER, AND A TEN PERCENT INCREASE IN THE ANNUAL ONE MONTH SALARY BONUS. THE NEGOTIATING PARTNERS ALSO AGREED TO EXTEND THE CURRENT REGULATIONS ON SPECIAL JOB SUPPLEMENTS FOR STEEL WORKERS, WHICH WOULD HAVE EXPIRED ON JANUARY 31, 1976, TO OCTOBER 31, 1976.

4. IG METALL WILL SOON BEGIN NEGOTIATIONS WITH THE METAL MANUFACTURERS FOR NEW CONTRACTS TO SUCCEED THE ONES EXPIRING DECEMBER 31. THE NEXT MAJOR UNION TO BEGIN WAGE NEGOTIATIONS WILL BE THE DGB PUBLIC SERVICE UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BONN 19133 241718Z

AND TRANSPORT WORKERS UNION (OETV). OETV PRESIDENT HEINZ KLUNCKER HAS ALREADY ANNOUNCED THAT HE CONSIDERS THE 6 PERCENT SETTLEMENT AS AN "ORIENTATION LINE", THEREBY SIGNALING THE GOVERNMENT AND OETV MEMBERS THAT THEY SHOULD ALSO ACCEPT A SIX PERCENT INCREASE WHICH WOULD COVER THE EXPECTED HIGHER COST OF LIVING. THEREFORE, OETV IS NOT EXPECTED TO ACCEPT A 4 PERCENT RAISE WHICH THE PUBLIC EMPLOYERS WOULD LIKE TO OFFER AS A

MAXIMUM INCREASE.

5. COMMENT: BY ACCEPTING A 6 PERCENT INCREASE, THE METALWORKERS ARE RESPONDING TO PRESSURE FROM GOVERNMENT LEADERS TO LIMIT WAGE DEMANDS TO THE AMOUNT NEEDED TO OFFSET THE RISE IN THE COST OF LIVING. AFTER A LONG DIALOGUE WITH THE GOVERNMENT, TRADE UNIONISTS NOW ALSO AGREE WITH THE NEED TO RESTRAIN WAGE DEMANDS IN ORDER TO COMBAT INFLATION, TO KEEP GERMAN EXPORTS COMPETITIVE AND MAKE IT POSSIBLE FOR EMPLOYERS TO MAKE ADDITIONAL INVESTMENTS WHICH WOULD CREATE NEW JOBS.  
HILLENBRAND

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COLLECTIVE BARGAINING, STEEL PLANTS, LABOR UNIONS, COST OF LIVING WAGE ADJUSTMENT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 NOV 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BONN19133  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750409-0177  
**From:** BONN  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19751117/aaaaaoju.tel  
**Line Count:** 127  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** izenbei0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 31 JUL 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <31 JUL 2003 by chicheje>; APPROVED <23 FEB 2004 by izenbei0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** STEELWORKERS SET PATTERN FOR 1976 COLLECTIVE BARGAINING ROUND BY ACCEPTING SIX PERCENT WAGE INCREASE  
**TAGS:** ELAB, GE  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006